EXHIBIT 3

MINISTÈRE
DE L'ÉCONOMIE,
DES FINANCES
ET DE LA SOUVERAINETÉ
INDUSTRIELLE ET NUMÉRIQUE
Liberté
Égalité
Fraternité

The Secretary General of the Paris Club

Paris, 19 August 2024

DIRECTION GÉNÉRALE DU TRÉSOR
SERVICE DES AFFAIRES MULTILATÉRALES ET DU DÉVELOPPEMENT
SOUS-DIRECTION AFFAIRES FINANCIÈRES, MULTILATÉRALES ET DÉVELOPPEMENT
BUREAU ENDETTEMENT, FINANCEMENT INTERNATIONAL ET SECRETARIAT DU CLUB DE PARIS
139, RUE DE BERCY
75572 PARIS CEDEX 12

The Honorable Denise L. Cote
Daniel Patrick Moynihan United States Courthouse
500 Pearl St.
New York, NY 10007-1312

Re: Request to extend the motion to stay in *Hamilton Reserve Bank Ltd. v. The Democratic Socialist Republic of Sri Lanka*, No. 22-cv-5199 (DLC)

Dear Judge Cote:

France, together with Canada, Denmark, Japan, the Netherlands, the Russian Federation, Spain and the United Kingdom, as long standing and active members of the Paris Club[1], respectfully request the Court's permission to submit this letter in support of the Democratic Socialist Republic of Sri Lanka's motion for a further stay of proceedings.

In letters dated 31 August 2023 and 29 February 2024, France, Canada, Japan, the Netherlands, Spain and the United Kingdom expressed their support for, respectfully, Sri Lanka's motion to stay and motion for a further stay of proceedings. Since then, and supported by these decisions to stay, Sri Lanka has achieved significant progress in its debt restructurings, after continuous engagement with both the official creditor committee (OCC)[2] and the Exim-Import Bank of China. First, Sri Lanka signed a *Memorandum of Understanding* with the OCC on 26 June 2024, after having reached an agreement in principle on a debt treatment on 29 November 2023. Sri Lanka also secured and signed an agreement with the Exim-Import Bank of China on the same day. The finalization of negotiations on the official side allowed for continued disbursements under the International Monetary Fund-supported program. Additionally, on 3 July 2024, Sri Lanka agreed on the core financial terms of a debt restructuring with the *ad hoc* committee of international bondholders, set out in a *Joint Working Framework*. There are some remaining steps, as the agreement must also be assessed, by the IMF, as compatible with the parameters laid out under the International Monetary Fund's Debt Sustainability Analysis – a core pillar of Sri Lanka's International Monetary Fund-supported

[1] The Paris Club is an informal group of creditor countries whose role is to find coordinated and sustainable solutions to the payment difficulties experienced by debtor countries. See https://clubdeparis.org/en.
[2] The OCC for Sri Lanka is composed of the Paris Club members with exposure to Sri Lanka, as well as India and Hungary who are not members of the Paris Club. The People's Republic of China participated to the OCC as an observer.

program. Official creditors also need to assess whether this agreement is compatible with their own agreement – a concept referred to as the comparability of treatment principle. These standard procedures in a debt restructuring process are rendered more difficult in this specific case by the fact that the *Joint Working Framework* involved contingent payments linked to Sri Lanka's real GDP over the coming years. The assessment of this type of instrument within the Debt Sustainability Analysis is relatively new. Alongside efforts to advance the debt restructuring process with official and private creditors, the Sri Lankan authorities have made commendable progress to implement macroeconomic reforms that are continuing to support recovery, with three consecutive quarters of real GDP growth, low inflation, increased revenue collection, and a build-up of external reserves.

The significant progress on these numerous steps paved the way for the approval by the IMF Board of the second review of Sri Lanka's extended fund facility (EFF) arrangement on 12 June 2024. It remains the case that with restructuring negotiations ongoing, these processes continue to be of great importance to securing the success of the International Monetary Fund-supported program for Sri Lanka. France, Canada, Denmark, Japan, the Netherlands, the Russian Federation, Spain and the United Kingdom continue to consider that a judgment in favor of the plaintiffs before the conclusion of debt restructuring processes would risk disrupting the negotiations by creating an incentive for creditors to holdout.

Extending the stay by four months would therefore serve to safeguard the ongoing debt restructuring processes. Since the OCC and Sri Lanka have agreed on a *Memorandum of Understanding*, Sri Lanka has been actively working to finalize an agreement with the *ad hoc* committee of international bondholders. Discussions are currently ongoing among all stakeholders – Sri Lanka, the OCC, the IMF and the bondholders – to facilitate this resolution while ensuring comparability of treatment between official creditors and the private sector. It is therefore expected that the debt restructuring agreement with the OCC should be completed in the coming months.

On the basis of continuing negotiations, which are critical to ensuring the successful implementation of the International Monetary Fund-supported program, including the smooth approval of its third review by the International Monetary Fund Board, and paving the way for Sri Lanka's return to a sustainable economic and financial trajectory, France, together with Canada, Denmark, Japan, the Netherlands, the Russian Federation, Spain and the United Kingdom therefore support Sri Lanka's request to extend the motion to stay proceedings.

I thank the Court for its consideration of this request.

Respectfully submitted,

Secretary General of the Paris Club
Directorate-General of the Treasury
On behalf of France together with Canada, Denmark, Japan, the Netherlands, the Russian Federation, Spain and the United Kingdom